

COASTAL CONSERVANCY

Staff Recommendation
September 20, 2007

SIX RIVERS TO THE SEA: VALLEY VIEW RANCH EASEMENT

File No. 06-045-02
Project Manager: Su Corbaley

RECOMMENDED ACTION: Modification of the November 9, 2006 authorization for the disbursement of funds for acquisition of a conservation easement on the Valley View Ranch in Petrolia, Humboldt County, in order to allow the Conservancy to use \$100,000 from that authorization to purchase an option to acquire the conservation easement.

LOCATION: Petrolia, Humboldt County

PROGRAM CATEGORY: Integrated Marine and Coastal Resources Enhancement and Site Reservation

EXHIBITS

Exhibit 1: [November 9, 2006 Staff Recommendation](#)

Exhibit 2: [Letter of Intent from California Dept. of Forestry and Fire Protection](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31220 and 31350 – 31356 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the expenditure of \$100,000 of the funds previously authorized on November 9, 2006 for acquisition of a conservation easement on the Valley View Ranch (Humboldt County Assessor’s Parcel Numbers 104-231-002, 104-231-007, 104-232-001, 104-232-002, 104-232-007, 104-242-004, 104-242-005, and 105-151-006) to purchase an option to secure the acquisition of the conservation easement. This authorization is subject to the condition that, prior to the disbursement of funds the Conservancy review, approve, and execute with the seller an agreement that outlines the terms of the purchase.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that the proposed authorization is consistent with Chapter 8 of Division 21 of the Public Resources Code (Sections 31350 *et seq.*), regarding reservation of significant coastal

resources, and remains consistent with Chapter 5.5 of Division 21 of the Public Resources Code (Section 31220 *et seq.*) regarding protection of coastal resources and with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.”

PROJECT SUMMARY:

The proposed authorization would allow the Conservancy to secure an option to purchase a conservation easement on the Valley View Ranch in Petrolia, Humboldt County. On November 9, 2006, the Conservancy authorized the disbursement of up to \$1,000,000 (one million dollars) to the California Department of Forestry and Fire Protection (“Cal-Fire”) to enable it to acquire a conservation easement on the 1,532-acre Valley View Ranch (Exhibit 1).

In addition to the Conservancy funds authorized for the acquisition of a conservation easement, funds for the acquisition will come from Cal-Fire through Forest Legacy funds. However, due to authorization schedules the Forest Legacy matching funds will not be available until March 2008. The property owners have incurred significant medical bills in the last several months, and while they had hoped to resolve these debts following the sale of the conservation easement, they can not wait until March 2008. Unless they are able to sell an option to secure the sale of a conservation easement, they may be forced to seek alternative means of generating cash, including sale or lease of portions of their property for uses that may not be consistent with the purposes of the project. Any development or inappropriate uses on the property could lead to additional soil erosion to salmonid spawning and rearing reaches of the North Fork Mattole River, and a reduction in the scenic quality of the property. Such uses might also affect the value of the easement and require re-appraisal, further delaying the acquisition. The proposed project would enable the Conservancy to utilize \$100,000 of the \$1,000,000 authorized in November 2006 to purchase and secure an option to buy a conservation easement. The option would, if exercised, require that the \$100,000 option purchase price be applied to the purchase price of the easement. Other terms of the option would include a prohibition on sale of all or part of the land or changes in current uses on the property until the other funding agencies have an opportunity to consider and act on the recommendation for funding the easement acquisition.

There is the risk that the option will be acquired but, for reasons beyond the Conservancy’s control, such as the lack of approval of needed funding from other sources, the easement acquisition is not realized and the \$100,000 option cost may be lost. Conservancy staff believes that the risk is small, however. The Forest Legacy funds are subject to approval by WCB, which administers the Forest Legacy program on behalf of Cal-Fire. Cal-Fire staff has indicated its commitment to acquiring the conservation easement once funds are available and has executed an Inter-Agency Agreement with WCB to perform the real estate services required to complete the acquisition, signifying WCB’s intent to take it to a future WCB meeting for approval (see Exhibit 2).

PROJECT FINANCING:

The \$100,000 to secure the option to purchase a conservation easement would come from the \$1,000,000 authorized on November 9, 2006. Therefore, this project does not involve additional funds.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

In addition to being undertaken pursuant to Chapter 5.5 of the Conservancy's enabling legislation as detailed in the November 9, 2006 staff recommendation, the project would be undertaken pursuant to Chapter 8 of the Conservancy's enabling legislation (Public Resources Code Section 31350 *et seq.*) regarding site reservation of significant coastal resources for the purposes of protecting open space for public enjoyment.

Under Sections 31352 and 31353, the Conservancy may acquire an option interest in real property where no other public entity or nonprofit organization is able under the circumstances to do so and where doing so will serve to protect and preserve interests in key coastal resources. For the reasons discussed above, the opportunity to acquire the Valley View Ranch easement, which will protect the property from development and will limit forestry activities and preserve important riparian resources, could be lost, or the acquisition greatly diminished if the Conservancy does not acquire the option on behalf of the State. No other public agency or nonprofit organization is able to do so within the short timelines available and without re-working of the transaction.

CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN GOAL(S) & OBJECTIVE(S); CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES; and COMPLIANCE WITH CEQA:

The change in the project proposed by this authorization does not alter the nature of the project and does not affect the conclusions made in the November 9, 2006 staff recommendation regarding its consistency with the Conservancy's goals, selection criteria and guidelines or its compliance with the California Environmental Protection Act.